

FISCAL NOTE

SB 2324

January 30, 2004

SUMMARY OF BILL: Permits the Commissioner of General Services to waive the fee imposed on agencies disposing of computer equipment for good cause shown.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Provides a decrease in revenues in an amount exceeding \$100,000 to the Department of General Services with a corresponding decrease in expenditures in an amount exceeding \$100,000 to affected state departments and agencies. There is no net impact to state government.

Estimate assumes:

- The Commissioner of General Services will choose to waive the fee imposed on agencies disposing of computer equipment for good cause.
- Interdepartmental revenue generated from the handling fees charged to the agencies that declare computer equipment as surplus property would not be received by the Department of General services. All agencies are charged the same fee which is based on the cost to the Department of General Services for the handling of computer equipment.
- Computers declared as surplus are refurbished and transferred to a local education agency (LEA) at no cost to the LEA, if such computers are suitable for educational purposes. Those computers that are not suitable for use are recycled. This process generates no revenue for the Department of General Services. The fee is to recoup direct costs associated with this activity.
- The Department of General Services handled 10,443 pieces of computer equipment between the period October 2002 through September 2003 with handling fees for direct costs incurred totaling approximately \$136,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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